(b) if so, the details thereof; and

(c) by when the said decision is likely to be implemented?

THE MINISTER OF STATE IN THE DEPARTMENT OF SPACE (SHRIMATI VASUNDHARA RAJE): (a) Yes, Sir.

(b) The Government has approved the norms, guidelines and procedures for establishment and operation of Indian Satellite Systems as highlighted below:

(i) Only Indian registered companies with Foreign Direct Investment not exeeding 74% are allowed.

(ii) The required technical, financial, regulatory and legal credentials would be examined by a standing committee called Committee for Authorising the Establishment & operation of Indian Satellite System (CAISS).

(iii) CAISS will act as the single window for clearing the applications for setting up Indian Satellite Systems.

(c) CAISS has been formed and the process of implementation has begun.

Cost and Time Overrun of Central Projects

619. SHRI KARNENDU BHATTACHARJEE: Will the PRIME MINISTER be pleased to state:

(a) whether his attention has been drawn to the newsitem, captioned "Projects' costs rise due to Government laxity" appearing in the Times of India dated 17th May, 2000;

(b) if so, the details of the cost and time overrun of the Central projects during 1999-2000;

(c) what steps have been taken/proposed to be taken to remove the bottleneck responsible for delay in the completion of the projects; and

(d) whether persons responsible for the cost/time overrun have been identified and action taken against them and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS, AND MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Yes, Sir. As on 31.3.2000, out of 473 projects, 216 have shown cost overruns and also time overrun. As against the original cost of Rs. 1,25,459.3 crores for 473 projects, anticipated cost is Rs. 1,70,063.8 crores, showing a cost overrun of 35.6%. The costs of projects are approved at the prices prevailing in particular months and years. The cost overruns take place with reference to current prices due to general escalation. The cost overruns also take place due to delays, increase in scope and variations in duties, wages etc. The sector-wise details are given in the annexed Statement (*See* below).

(c) The steps taken to remove the bottlenecks responsible for delay in the completion of the projects are as follows:

(i) Monthly as well as quarterly monitoring by the Government. This enables the monitoring agencies to identify constrains and help the management/administrative Ministries in taking remedial measures;

(ii) In-depth review of progress by the Project Authorities and Administrative Ministries, coordination with the respective State Governments, equipment suppliers, engineering and procurement contractors, project management consultants and other concerned agencies;

(iii) Inter-ministerial coordination and holding facilitation meetings among concerned agencies;

(iv) Setting up of Empowered Committees for speedy finalisation of contract packages, solving of land acquisition and other problems; and

(v) Making funds available to complete the projects on schedule.

(d) In order to bring accountability in the execution of projects, Standing Committees have been set up in 22 Ministries for projects costing Rs.50 crores and above, which have reported time and cost overruns, headed by Additional Secretary or Joint Secretary of the concerned Ministry with representatives from Planning Commission, Department of Expenditure and Ministry of Statistics & Programme Implementation. The Standing Committees, set up as per the guidelines of the Planning Commission issued in August, 1998, have the mandate to go into the details of time and cost overrun and to identify the respective responsibility areas and to suggest remedial action. The reports of the Standing Committees form part of the revised cost estimates of projects which have time and cost overruns and the same are submitted, along with the CCEA note, for consideration of the CCEA. So far 40 cases have been referred to these Committees. Out of 10 cases examined by the Committees, only in one case responsibility has been fixed, while in others, the Committees have identified the agencies and system weaknesses responsible for delays and cost overruns.

Statement

Extent of Time/cost overrun in projects with respect to original schedule as on 31.3.2000

S. NO.	SECTOR	NO. OF PRO-JECTS	TOTAL COST (RS. CRS)			PROJ. WITH COST OVER RUN				PROJ. WITH TIME OVER RUN			
			ORIG-INAL	ANTICI-PATED COST	COST OVER RUN%	NO.	ORIG-COST	ANTICI-PATED COST	%INC-R. BASE	NO.	ORIG COST	ANTICI-PATED COST	RANGE (NO.)
1.	ATOMIC ENERGY	26	6246.8	15559.7	149.1	5	4959.0	14460.7	191.6	6	2092.8	5891.5	33-76
2.	CIVIL AVIATION	15	492.2	535.8	8.8	5	160.5	204.1	27.1	9	258.9	290.9	2-57
3.	COAL	65	12161.8	13717.5	12.8	16	4995.5	6798.3	36.1	36	8203.0	9772.4	2-189
4.	FINANCE	1	118.3	348.8	194.9	1	118.3	348.8	194.9	1	118.3	348.8	96-96
5.	FERTILISERS	6	739.0	749.5	1.4	1	28.0	38.5	37.5	1	28.0	38.5	6-6
6.	I & B	5	202.5	249.9	23.4	1	34.2	81.6	138.9	5	202.5	249.9	24-132
7.	MINES	5	3965.0	3971.3	0.2	1	157.5	163.8	4.0	3	238.4	244.7	8-14
8.	STEEL	11	3177.9	4275.7	34.5	4	2739.1	3836.9	40.1	9	3048.9	4146.7	2-35
9.	PETROCHE-MICALS	1	3484.4	4335.0	24.4	1	3484.4	4335.0	24.4	1	3484.4	4335.0	40-40
10.	PETROLEUM	45	29201.5	29747.0	1.9	6	4050.7	4835.7	19.4	17	13704.2	14396.8	3-58
11.	POWER	29	27554.0	45800.3	66.2	17	18797.4	37292.1	98.4	15	9079.7	24552.1	22-136

12.	RAILWAYS	192	26508.0	36205.7	36.9	125	15971.1	25948.8	62.5	63	9969.6	15646.7	2.132	2.132	2.132
13.	SURFACE TRANSPORT	55	5464.7	7824.4	43.3	27	3441.1	5897.6	71.4	38	4230.4	6329.8	1.132	1.132	1.132
14.	TELECOMMUNICATION	8	927.2	927.2	0.0	0	0.0	0.0	0.0	7	896.1	896.1	1.48	1.48	1.48
15.	OTHERS	9	5224.2	7226.0	9.7	6	5072.0	5578.4	10.0	5	281.4	403.6	29.53	29.53	29.53
	TOTAL	473	138459.3	170063.8	35.6	216	64008.8	109820.3	71.6	216	55836.5	87543.5			